



Substitute Senate Bill No. 182

Public Act No. 08-119

***AN ACT CONCERNING BANK AND CREDIT UNION AUTHORITY
AND NONDEPOSITORY LICENSES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 36a-3 of the 2008 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

Other definitions applying to this title or to specified parts thereof and the sections in which they appear are:

"Account". Sections 36a-155 and 36a-365.

"Additional proceeds". Section 36a-746e.

"Administrative expense". Section 36a-237.

"Advance fee". Sections 36a-485 of the 2008 supplement to the general statutes, 36a-510 of the 2008 supplement to the general statutes and 36a-615.

"Advertise" or "advertisement". Sections 36a-485 of the 2008 supplement to the general statutes and 36a-510 of the 2008 supplement to the general statutes.

"Agency bank". Section 36a-285.

"Alternative mortgage loan". Section 36a-265.

"Amount financed". Section 36a-690.

Substitute Senate Bill No. 182

"Annual percentage rate". Section 36a-690.

"Annual percentage yield". Section 36a-316.

"Annuities". Section 36a-455a.

"Applicant". Section 36a-736.

"APR". Section 36a-746a.

"Assessment area". Section 36a-37.

"Assets". Section 36a-70.

"Associate". Section 36a-184.

"Associated member". Section 36a-458a.

"Bank". Section 36a-30.

"Bankers' bank". Section 36a-70.

"Banking business". Section 36a-425.

"Basic services". Section 36a-437a.

"Billing cycle". Section 36a-565.

"Bona fide nonprofit organization". Section 36a-655.

"Branch". Sections 36a-145 of the 2008 supplement to the general statutes, 36a-410 of the 2008 supplement to the general statutes and 36a-435b.

"Branch or agency net payment entitlement". Section 36a-428n.

"Branch or agency net payment obligation". Section 36a-428n.

"Broker". Section 36a-746a.

"Business and industrial development corporation". Section 36a-626.

"Business and property in this state". Section 36a-428n.

"Capital". Section 36a-435b.

"Cash advance". Section 36a-564.

"Cash price". Section 36a-770.

"Certificate of incorporation". Section 36a-435b.

"Closely related activities". Sections 36a-250 and 36a-455a.

"Collective managing agency account". Section 36a-365.

"Commercial vehicle". Section 36a-770.

"Community bank". Section 36a-70.

"Community credit union". Section 36a-37.

Substitute Senate Bill No. 182

"Community development bank". Section 36a-70.

"Community reinvestment performance". Section 36a-37.

"Connecticut holding company". Sections 36a-53 of the 2008 supplement to the general statutes and 36a-410 of the 2008 supplement to the general statutes.

"Consolidate". Section 36a-145 of the 2008 supplement to the general statutes.

"Construction loan". Section 36a-458a.

"Consumer". Sections 36a-155, 36a-676 and 36a-695.

"Consumer Credit Protection Act". Section 36a-676.

"Consumer debtor" and "debtor". Sections 36a-645 and 36a-800 of the 2008 supplement to the general statutes.

"Consumer collection agency". Section 36a-800 of the 2008 supplement to the general statutes.

"Consummation". Section 36a-746a.

"Controlling interest". Section 36a-276.

"Corporate". Section 36a-435b.

"Credit". Sections 36a-645 and 36a-676.

"Credit manager". Section 36a-435b.

"Creditor". Sections 36a-676, 36a-695 and 36a-800 of the 2008 supplement to the general statutes.

"Credit card", "cardholder" and "card issuer". Section 36a-676.

"Credit clinic". Section 36a-700.

"Credit rating agency". Section 36a-695.

"Credit report". Section 36a-695.

"Credit sale". Section 36a-676.

"Credit union service organization". Section 36a-435b.

"Credit union service organization services". Section 36a-435b.

"De novo branch". Section 36a-410 of the 2008 supplement to the general statutes.

"Debt". Section 36a-645.

"Debt adjustment". Section 36a-655.

Substitute Senate Bill No. 182

"Debt mutual fund". Sections 36a-275 and 36a-459a.
"Debt securities". Sections 36a-275 and 36a-459a.
"Debtor". Section 36a-655.
"Deliver". Section 36a-316.
"Deposit". Section 36a-316.
"Deposit account". Section 36a-316.
"Deposit account charge". Section 36a-316.
"Deposit account disclosures". Section 36a-316.
"Deposit contract". Section 36a-316.
"Deposit services". Section 36a-425.
"Depositor". Section 36a-316.
"Director". Section 36a-435b.
"Earning period". Section 36a-316.
"Electronic payment instrument". Section 36a-596 of the 2008 supplement to the general statutes.
"Eligible collateral". Section 36a-330.
"Equity mutual fund". Sections 36a-276 and 36a-459a.
"Equity security". Sections 36a-276 and 36a-459a.
"Executive officer". Sections 36a-263 and 36a-469c.
"Federal Credit Union Act". Section 36a-435b.
"Federal Home Mortgage Disclosure Act". Section 36a-736.
"Fiduciary". Section 36a-365.
"Filing fee". Section 36a-770.
"Finance charge". Sections 36a-690 and 36a-770.
"Financial institution". Sections 36a-41, 36a-44a, 36a-155, 36a-316, 36a-330, 36a-435b and 36a-736.
"Financial records". Section 36a-41.
"First mortgage broker". Section 36a-485 of the 2008 supplement to the general statutes.
"First mortgage correspondent lender". Section 36a-485 of the 2008 supplement to the general statutes.
"First mortgage lender". Section 36a-485 of the 2008

Substitute Senate Bill No. 182

supplement to the general statutes.

"First mortgage loan". Sections 36a-485 of the 2008 supplement to the general statutes, 36a-705 and 36a-715.

"Foreign banking corporation". Section 36a-425.

"General facility". Section 36a-580.

"Global net payment entitlement". Section 36a-428n.

"Global net payment obligation". Section 36a-428n.

"Goods". Sections 36a-535 and 36a-770.

"Graduated payment mortgage loan". Section 36a-265.

"Guardian". Section 36a-365.

"High cost home loan". Section 36a-746a.

"Holder". Section 36a-596 of the 2008 supplement to the general statutes.

"Home banking services". Section 36a-170.

"Home banking terminal". Section 36a-170.

"Home improvement loan". Section 36a-736.

"Home purchase loan". Section 36a-736.

"Home state". Section 36a-410 of the 2008 supplement to the general statutes.

"Immediate family member". Section 36a-435b.

"Insider". Section 36a-454b.

"Installment loan contract". Sections 36a-535 and 36a-770.

"Insurance". Section 36a-455a.

"Insurance bank". Section 36a-285.

"Insurance department". Section 36a-285.

"Interest". Section 36a-316.

"Interest rate". Section 36a-316.

"Lender". Sections 36a-746a and 36a-770.

"Lessor". Section 36a-676.

"License". Section 36a-626.

"Licensee". Sections 36a-510 of the 2008 supplement to the general statutes, 36a-596 of the 2008 supplement to the

Substitute Senate Bill No. 182

general statutes and 36a-626.

"Limited branch". Section 36a-145 of the 2008 supplement to the general statutes.

"Limited facility". Section 36a-580.

"Loan broker". Section 36a-615.

"Loss". Section 36a-330.

"Made in this state". Section 36a-770.

"Managing agent". Section 36a-365.

"Manufactured home". Section 36a-457b.

"Material litigation". Section 36a-596 of the 2008 supplement to the general statutes.

"Member". Section 36a-435b.

"Member business loan". Section 36a-458a.

"Member in good standing". Section 36a-435b.

"Membership share". Section 36a-435b.

"Mobile branch". Section 36a-435b.

"Money order". Section 36a-596 of the 2008 supplement to the general statutes.

"Money transmission". Section 36a-365.

"Mortgage insurance". Section 36a-725.

"Mortgage lender". Sections 36a-485 of the 2008 supplement to the general statutes, 36a-510 of the 2008 supplement to the general statutes and 36a-705.

"Mortgage loan". Sections 36a-261, 36a-265 and 36a-457b.

"Mortgage rate lock-in". Section 36a-705.

"Mortgage servicing company". Section 36a-715.

"Mortgagor". Section 36a-715.

"Motor vehicle". Section 36a-770.

"Multiple common bond membership". Section 36a-435b.

"Municipality". Section 36a-800 of the 2008 supplement to the general statutes.

"Net outstanding member business loan balance". Section 36a-458a.

Substitute Senate Bill No. 182

"Net worth". Sections 36a-441a, 36a-458a and 36a-596 of the 2008 supplement to the general statutes.

"Network". Section 36a-155.

"Nonrefundable". Sections 36a-498 of the 2008 supplement to the general statutes and 36a-521 of the 2008 supplement to the general statutes.

"Note account". Sections 36a-301 and 36a-456b.

"Office". Section 36a-23, as amended by this act, and section 36a-316.

"Officer". Section 36a-435b.

"Open-end credit plan". Section 36a-676.

"Open-end loan". Section 36a-565.

"Organization". Section 36a-800 of the 2008 supplement to the general statutes.

"Originator". Sections 36a-485 of the 2008 supplement to the general statutes and 36a-510 of the 2008 supplement to the general statutes.

"Out-of-state holding company". Section 36a-410 of the 2008 supplement to the general statutes.

"Outstanding". Section 36a-596 of the 2008 supplement to the general statutes.

"Passbook savings account". Section 36a-316.

"Payment instrument". Section 36a-596 of the 2008 supplement to the general statutes.

"Periodic statement". Section 36a-316.

"Permissible investment". Section 36a-596 of the 2008 supplement to the general statutes.

"Person". Section 36a-184.

"Post". Section 36a-316.

"Prepaid finance charge". Section 36a-746a.

"Prepayment penalty". Section 36a-746a.

"Prime quality". Section 36a-596 of the 2008 supplement to the general statutes.

Substitute Senate Bill No. 182

"Principal amount of the loan". Section 36a-510 of the 2008 supplement to the general statutes.

"Processor". Section 36a-155.

"Public deposit". Section 36a-330.

"Purchaser". Section 36a-596 of the 2008 supplement to the general statutes.

"Qualified financial contract". Section 36a-428n.

"Qualified public depository" and "depository". Section 36a-330.

"Real estate". Section 36a-457b.

"Records". Section 36a-17.

"Related person". Section 36a-53 of the 2008 supplement to the general statutes.

"Relocate". Sections 36a-145 of the 2008 supplement to the general statutes and 36a-462a.

"Residential property". Section 36a-485 of the 2008 supplement to the general statutes.

"Retail buyer". Sections 36a-535 and 36a-770.

"Retail credit transaction". Section 42-100b.

"Retail installment contract". Sections 36a-535 and 36a-770.

"Retail installment sale". Sections 36a-535 and 36a-770.

"Retail seller". Sections 36a-535 and 36a-770.

"Reverse annuity mortgage loan". Section 36a-265.

"Sales finance company". Sections 36a-535 and 36a-770.

"Savings department". Section 36a-285.

"Savings deposit". Section 36a-316.

"Secondary mortgage broker". Section 36a-510 of the 2008 supplement to the general statutes.

"Secondary mortgage correspondent lender". Section 36a-510 of the 2008 supplement to the general statutes.

"Secondary mortgage lender". Section 36a-510 of the 2008 supplement to the general statutes.

"Secondary mortgage loan". Section 36a-510 of the 2008

Substitute Senate Bill No. 182

supplement to the general statutes.

"Security convertible into a voting security". Section 36a-184.

"Senior management". Section 36a-435b.

"Share". Section 36a-435b.

"Simulated check". Sections 36a-485 of the 2008 supplement to the general statutes and 36a-510 of the 2008 supplement to the general statutes.

"Single common bond membership". Section 36a-435b.

"Social purpose investment". Section 36a-277.

"Standard mortgage loan". Section 36a-265.

"Table funding agreement". Section 36a-485 of the 2008 supplement to the general statutes.

"Tax and loan account". Sections 36a-301 and 36a-456b.

"The Savings Bank Life Insurance Company". Section 36a-285.

"Time account". Section 36a-316.

"Travelers check". Section 36a-596 of the 2008 supplement to the general statutes.

"Troubled Connecticut credit union". Section 36a-448a.

"Unsecured loan". Section 36a-615.

"Warehouse agreement". Section 36a-485 of the 2008 supplement to the general statutes.

Sec. 2. Section 36a-16 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

(a) (1) Each Connecticut bank shall file with the commissioner such reports of condition and income as are required to be filed with the appropriate federal banking agency on the dates that such reports are required to be filed with such agency. [Each mutual Connecticut bank shall publish such reports for the period ending December thirty-first of each year in a newspaper published in the county where the main office of such mutual Connecticut bank is located in such form as the commissioner may prescribe within ten days of the date of such report,

Substitute Senate Bill No. 182

and such proof of publication shall be furnished as the commissioner may require.]

(2) Each out-of-state bank that maintains in this state a branch as defined in section 36a-410 of the 2008 supplement to the general statutes shall quarterly file with the commissioner such loan and deposit information as the commissioner may require.

(3) Each such Connecticut bank or out-of-state bank shall also file with the commissioner or publish such other reports and information as the commissioner may require.

(4) Any Connecticut bank or out-of-state bank that fails to publish any report in accordance with this subsection or file any report or information required by this subsection, on the date required, shall pay to the commissioner one hundred dollars for each day that it fails to publish or file such report or information, unless excused for cause by the commissioner.

(b) Except as provided in subsection (a) of this section, any person who fails to file any report or provide information required by any provision of this title, or any regulation adopted pursuant to this title, on the date required, shall pay to the commissioner fifty dollars for each day that such person fails to file such report or provide such information, unless excused for cause by the commissioner.

Sec. 3. Section 36a-23 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

(a) The Governor is authorized, by proclamation, to designate and appoint one or more legal holidays, which shall include at a minimum the legal holidays designated in section 1-4, to be known as bank and credit union holidays, to be observed throughout this state, or to be observed in a certain county or town, or counties or towns, as specified in such proclamation. During such holiday period all banking and

Substitute Senate Bill No. 182

credit union transactions within the area in which such holiday is declared shall be suspended, except that the commissioner, with the approval of the Governor, may prescribe such conditions and restrictions for the conduct of banking and credit union business during such holiday period and within the area in which such holiday is declared as may appear to the commissioner to be in the best interest of the public. On one banking day that immediately precedes or follows any bank and credit union holiday, a bank or credit union may close any of its offices on its own initiative. Each such bank or credit union that closes an office on its own initiative shall provide the commissioner with forty-five-day advance notice of the date the office will be closed and shall post notice in the affected office for thirty days prior to the date such office will be closed.

(b) The commissioner may authorize the closing of all banks or Connecticut credit unions in this state or all banks or Connecticut credit unions in any specified towns or counties or any office of any bank or Connecticut credit union whenever it appears to the commissioner that such action is required as a result of an emergency, or for good cause shown.

(c) A bank or Connecticut credit union may close any office located on a college or university campus or in a building of an educational institution during any period when the college, university or educational institution is not in regular session; provided the bank or Connecticut credit union shall give notice to the commissioner in advance of its intent to effect such closings of such an office.

(d) A bank or Connecticut credit union may close any office on its own initiative whenever an emergency does not afford an opportunity to obtain the commissioner's prior approval.

[(e) An emergency, within the meaning of this section, shall include conditions arising from shortages of fuel, housing, food, transportation

Substitute Senate Bill No. 182

or labor, or arising from enemy action or threat of enemy action, from fire or other casualty, from robbery or other crime, from riot or threat of riot, or from extreme weather conditions.]

[(f)] (e) The period of any closing pursuant to this section or pursuant to any similar provision of federal law, as well as the holidays otherwise provided by law, shall be a legal holiday, for purposes of the Uniform Commercial Code and otherwise, for the affected banks, Connecticut credit unions or offices.

(f) (1) If the commissioner determines that an emergency has affected and will continue to affect for an extended period of time one or more offices of a Connecticut bank or Connecticut credit union, or an office of an out-of-state state-chartered credit union or foreign bank that has an office in this state, either as a result of the emergency or subsequent recovery operations, the commissioner may issue an approval authorizing the bank or credit union affected to open one or more temporary offices or other facilities required for bank or credit union operations for the purpose of prompt restoration of banking or credit union services to the existing customers of the bank or credit union as the circumstances of such emergency may require. A temporary office or facility may be used to solicit and service new customers, provided such customers are located within the market area of the affected office. A temporary office or other facility may remain open only for the period specified in the commissioner's approval, provided the commissioner may extend such period if the commissioner finds that the conditions requiring such office or facility continue to exist. The bank or credit union may convert a temporary office to a permanent office if permitted by and subject to the limitations and requirements of this title.

(2) If requested by the state or federal banking regulatory agency of an out-of-state bank or foreign bank, whose home state, as defined in section 36a-410 of the 2008 supplement to the general statutes, is

Substitute Senate Bill No. 182

Massachusetts, New Jersey, New York or Rhode Island, or an out-of-state state-chartered credit union whose main office is located in Massachusetts, New Jersey, New York or Rhode Island, that does not have an office in this state, and such home state or main office state is experiencing an emergency, the commissioner may issue an order authorizing such bank or credit union to open one or more temporary offices or other facilities in this state for the purpose of prompt restoration of banking or credit union services to the existing customers of the bank or credit union, as the circumstances of such emergency may require. A temporary office or facility may be used to solicit and service new customers, provided such customers are located outside this state. A temporary office or facility opened under the authority of this subsection may remain open only for the period specified in the commissioner's approval, provided the commissioner may extend such period on a finding that the conditions requiring such office or facility continue to exist. The bank or credit union may convert a temporary office to a permanent office if permitted by and subject to the limitations and requirements of this title.

(3) To further rapid restoration of banking and credit union services after an emergency, the commissioner may temporarily waive or suspend statutory or regulatory requirements that threaten to impede recovery and restoration of financial services. For purposes of this subdivision, "temporarily" means a period of time not exceeding ninety days.

(4) For purposes of this subsection, "office" means: (A) In the case of a Connecticut bank, a "branch", "limited branch" or "mobile branch", as defined in section 36a-145 of the 2008 supplement to the general statutes, (B) in the case of a foreign bank, a state branch, state agency or representative office, (C) in the case of an out-of-state bank, a "branch" as defined in section 36a-410 of the 2008 supplement to the general statutes, and (D) in the case of a Connecticut credit union or

Substitute Senate Bill No. 182

out-of-state state-chartered credit union, a "branch" as defined in section 36a-435b.

(g) For purposes of this section, an emergency includes conditions arising from shortages of fuel, housing, food, transportation or labor, or arising from enemy action or threat of enemy action, from fire or other casualty, from robbery or other crime, from riot or threat of riot, or from extreme weather conditions.

Sec. 4. Section 36a-190 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

The provisions of sections 36a-183 to 36a-187, inclusive, shall not apply to: (1) A transaction subject to the provisions of section 36a-105 or 36a-106, section 36a-125 or 36a-181, or the provisions of the laws of the United States relating to the merger or consolidation of federal banks, (2) the acquisition of shares acquired in good faith in a fiduciary capacity, (3) the acquisition or transfer of shares of a federal bank to the extent that the acquisition or transfer of such shares is subject to approval or disapproval under the laws of the United States, (4) the acquisition by a person who has previously filed an acquisition statement of less than one per cent of the voting securities of a bank or holding company during any six-month period, (5) an acquisition or transfer by operation of law or by gift, will or intestacy, provided the acquiror or transferee provides written notice of such acquisition or transfer to the commissioner not later than thirty days after such acquisition or transfer and such notice includes (A) the name of the acquiror or transferee, (B) the person from whom the voting securities or securities convertible into voting securities are being acquired or transferred, (C) the number of shares of such voting securities or securities convertible into voting securities being acquired or transferred, (D) the number of such voting securities or securities convertible into voting securities owned by the acquiror or transferee on the date of acquisition or transfer, (E) the date of acquisition or

Substitute Senate Bill No. 182

transfer, and (F) whether the acquiror or transferee is an officer or director of the bank or bank holding company whose voting securities or securities convertible into voting securities are being acquired or transferred, (6) a transaction involving the acquisition of securities if the commissioner certifies in writing that the protection of depositors and creditors of the bank, the securities of which are being acquired or which is a subsidiary of the holding company the securities of which are being acquired, requires that the transaction proceed without delay, or (7) (A) the formation of a mutual holding company or a reorganized savings institution of such mutual holding company under sections 36a-192 and 36a-193 including the acquisition of voting shares of a reorganized savings institution by a nonstock corporation pursuant to subsection (b) of section 36a-192, or (B) the issuance of capital stock by such reorganized savings institution under sections 36a-195 and 36a-196.

Sec. 5. Section 36a-198 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

(a) A mutual holding company may establish a subsidiary holding company as a direct subsidiary to hold one hundred per cent of the stock of its reorganized savings institution subsidiary. The formation and operation of the subsidiary holding company may not be utilized as a means to evade or frustrate the purposes of sections 36a-192 to 36a-199, inclusive. The subsidiary holding company may be established either at the time of the initial mutual holding company reorganization or at a subsequent date, subject to the approval of and in accordance with any conditions or limitations imposed by the commissioner. A proposal to establish a subsidiary holding company shall be filed with the commissioner and shall include the proposed certificate of incorporation and bylaws of the subsidiary holding company and any other information required by the commissioner.

(b) For purposes of section 36a-196, the subsidiary holding company

Substitute Senate Bill No. 182

shall be treated as a reorganized savings institution issuing stock and shall be subject to the requirements of said section. In the case of a stock issuance by a subsidiary holding company, the aggregate amount of outstanding common stock of the subsidiary holding company owned or controlled by persons other than the subsidiary holding company's mutual holding company parent at the close of the proposed issuance shall be less than fifty per cent of the subsidiary holding company's total outstanding common stock.

(c) Subject to the approval of the commissioner, a subsidiary holding company may acquire and dispose of its own stock, provided no such acquisition or disposal results in persons other than the subsidiary holding company's mutual holding company parent owning or controlling a greater percentage of common stock than is permissible under subsection (b) of this section.

Sec. 6. Section 36a-540 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

Each license shall specify the location at which the business is to be conducted. Each license shall be maintained at the location for which it was issued and shall be available for public inspection. Such license shall not be transferable or assignable. Any change of location of a licensee shall require only prior written notice to the commissioner. No licensee shall use any name other than the name specified on the license issued by the commissioner. Not later than fifteen days after a licensee ceases to engage in this state in the business of a sales finance company for any reason, including a business decision to terminate operations in this state, license revocation, bankruptcy or voluntary dissolution, such licensee shall surrender to the commissioner in person or by registered or certified mail its license for each location in which such licensee has ceased to engage in such business.

Sec. 7. Section 36a-560 of the general statutes is repealed and the

Substitute Senate Bill No. 182

following is substituted in lieu thereof (*Effective October 1, 2008*):

No licensee shall make any loan provided for by sections 36a-555 to 36a-573, inclusive, under any other name or at any other place of business than that named in the license. Not more than one place of business shall be maintained under the same license, but the commissioner may issue more than one license to the same licensee upon compliance with the provisions of sections 36a-555 to 36a-573, inclusive, as to each new license. Not later than fifteen days after a licensee ceases to engage in this state in the business of a small loan lender for any reason, including a business decision to terminate operations in this state, license revocation, bankruptcy or voluntary dissolution, such licensee shall surrender to the commissioner in person or by registered or certified mail its license for each location in which such licensee has ceased to engage in such business.

Sec. 8. Subsection (c) of section 36a-581 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

(c) An application for a check cashing license or renewal of such license shall be in writing, under oath and on a form provided by the commissioner. The application shall set forth: (1) The name and address of the applicant; (2) if the applicant is a firm or partnership, the names and addresses of each member of the firm or partnership; (3) if the applicant is a corporation, the names and addresses of each officer, director, authorized agent and each shareholder owning ten per cent or more of the outstanding stock of such corporation; (4) if the applicant is a limited liability company, the names and addresses of each [manager] member and authorized agent of such limited liability company; (5) each location where the check cashing business is to be conducted and the type of facility that will be operated at that location; (6) the business plan, which shall include the proposed days and hours of operation; (7) the amount of liquid assets available for each location

Substitute Senate Bill No. 182

which shall not be less than the amount specified in subdivision (7) of subsection (e) of this section, as amended by this act; (8) for each limited facility, a copy of the executed contract evidencing the proposed arrangement between the applicant and the employer; and (9) any other information the commissioner may require.

Sec. 9. Subsection (e) of section 36a-581 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

(e) Upon the filing of the required application and the applicable license and location fees, the commissioner shall investigate the facts and may issue a license if the commissioner finds that (1) the applicant is in all respects properly qualified and of good character, (2) if the applicant is a firm or partnership, each member of the firm or partnership is in all respects properly qualified and of good character, (3) if the applicant is a corporation, each officer, director, authorized agent and each shareholder owning ten per cent or more of the outstanding stock of such corporation is in all respects properly qualified and of good character, (4) if the applicant is a limited liability company, each [manager] member and authorized agent is in all respects properly qualified and of good character, (5) granting such license would not be against the public interest, (6) the applicant has a feasible plan for conducting business, and (7) the applicant has available and shall continuously maintain liquid assets of at least ten thousand dollars for each general facility location and at least two thousand five hundred dollars for each limited facility location specified in the application.

Sec. 10. Section 36a-583 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

The license for each facility shall be conspicuously posted in that facility during the hours of operation. Such license shall not be

Substitute Senate Bill No. 182

transferable or assignable. Not later than fifteen days after a licensee ceases to engage in this state in the business of cashing checks, drafts or money orders for consideration at a general facility or limited facility for any reason, including, but not limited to, a business decision to terminate operations in this state, license revocation, bankruptcy or voluntary dissolution, such licensee shall surrender to the commissioner in person or by registered or certified mail its license for each location in which such licensee has ceased to engage in such business.

Sec. 11. Subsection (a) of section 36a-598 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

(a) Each application for an original or renewal license required under sections 36a-595 to 36a-610, inclusive, shall be made in writing and under oath to the commissioner in such form as the commissioner may prescribe. The application shall include:

(1) The exact name of the applicant and, if incorporated, the date of incorporation and the state where incorporated;

(2) The complete address of the principal office from which the business is to be conducted, and of the office where the books and records of the applicant are maintained and to be maintained, including the street and number, if any, and the municipality and county of such offices;

(3) The complete name and address of each of the applicant's branches, subsidiaries, affiliates and agents and subagents, if any, engaging in this state in the business of selling or issuing Connecticut payment instruments, or engaging in the business of money transmission;

(4) The name, title, address and telephone number of the person to

Substitute Senate Bill No. 182

whom notice of the commissioner's approval or disapproval of the application shall be sent and to whom any inquiries by the commissioner concerning the application shall be directed;

(5) The name and residence address of (A) the individual, if the applicant is an individual; (B) the partners, if the applicant is a partnership; (C) the directors, trustees, principal officers, and any shareholder owning ten per cent or more of each class of its securities, if the applicant is a corporation or association; or (D) the [managers] members, if the applicant is a limited liability company, and sufficient information pertaining to the name and address, in a form acceptable to the commissioner, on such partners, directors, trustees, principal officers, [managers] members, and any shareholder owning ten per cent or more of each class of its securities, as the commissioner deems necessary to make the findings under section 36a-600, as amended by this act;

(6) The most recently audited unconsolidated financial statement of the applicant, including its balance sheet and receipts and disbursements for the preceding year, prepared by an independent certified public accountant acceptable to the commissioner;

(7) A list of the applicant's permissible investments, the book and market values of such investments, and the dollar amount of the applicant's aggregate outstanding payment instruments (A) as of the date of the financial statement filed in accordance with subdivision (6) of this subsection; and (B) as of a date no earlier than thirty business days prior to the filing of the application;

(8) The history of material litigation and criminal convictions for the five-year period prior to the date of the application of (A) the individual, if the applicant is an individual; (B) the partners, if the applicant is a partnership; (C) the directors, trustees, principal officers and any shareholder owning ten per cent or more of each class of its

Substitute Senate Bill No. 182

securities, if the applicant is a corporation or association; or (D) the [managers] members, if the applicant is a limited liability company, and sufficient information pertaining to the history of material litigation and criminal convictions, in a form acceptable to the commissioner, on such partners, directors, trustees, principal officers, members and any shareholder owning ten per cent or more of each class of its securities;

(9) (A) The surety bond required by subsection (a) of section 36a-602 of the 2008 supplement to the general statutes, if applicable;

(B) A list of the investments maintained in accordance with subsection (c) of section 36a-602 of the 2008 supplement to the general statutes, if applicable, and the book and market values of any such investments (i) as of the date of the financial statement filed in accordance with subdivision (6) of this subsection; and (ii) as of a date no earlier than thirty business days prior to the filing of the application;

(C) The commissioner may defer compliance with the provisions of this subdivision until after the commissioner rules on the application, but the commissioner shall not issue a license until an applicant complies with the provisions of this subdivision;

(10) A statement of whether the applicant will engage in the business of issuing money orders, travelers checks or electronic payment instruments or engage in the business of money transmission in this state;

(11) Any other information the commissioner may require.

Sec. 12. Subsection (b) of section 36a-599 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

Substitute Senate Bill No. 182

(b) A license issued pursuant to sections 36a-595 to 36a-610, inclusive, shall expire at the close of business on September thirtieth of the odd-numbered year following its issuance, unless renewed or earlier surrendered, suspended or revoked pursuant to said sections, provided any license that is renewed effective July 1, 2007, shall expire on September 30, 2009. Not later than fifteen days after a licensee ceases to engage in this state in the business of issuing Connecticut payment instruments or ceases to engage in the business of money transmission for any reason, including a business decision to terminate operations in this state, license revocation, bankruptcy or voluntary dissolution, such licensee shall surrender to the commissioner in person or by registered or certified mail its license for each location in which such licensee has ceased to engage in such business.

Sec. 13. Subsection (a) of section 36a-600 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

(a) Upon the filing of an application for an original license, and the payment of the fees for investigation and license, the commissioner shall investigate the financial condition and responsibility, financial and business experience, character and general fitness of the applicant. The commissioner shall approve conditionally any application, if the commissioner finds that:

(1) The applicant's financial condition is sound;

(2) The applicant's business will be conducted honestly, fairly, equitably, carefully and efficiently within the purposes and intent of sections 36a-595 to 36a-610, inclusive, and in a manner commanding the confidence and trust of the community;

(3) (A) If the applicant is an individual, such individual is in all respects properly qualified and of good character, (B) if the applicant is

Substitute Senate Bill No. 182

a partnership, each partner is in all respects properly qualified and of good character, (C) if the applicant is a corporation or association, each president, chairperson of the executive committee, senior officer responsible for the corporation's business, chief financial officer or any other person who performs similar functions as determined by the commissioner, director, trustee and each shareholder owning ten per cent or more of each class of the securities of such corporation is in all respects properly qualified and of good character, or (D) if the applicant is a limited liability company, each member is in all respects properly qualified and of good character;

(4) The applicant is in compliance with the provisions of sections 36a-603 of the 2008 supplement to the general statutes and 36a-604 of the 2008 supplement to the general statutes;

(5) No person on behalf of the applicant knowingly has made any incorrect statement of a material fact in the application, or in any report or statement made pursuant to sections 36a-595 to 36a-610, inclusive;

(6) No person on behalf of the applicant knowingly has omitted to state any material fact necessary to give the commissioner any information lawfully required by the commissioner.

Sec. 14. Section 36a-658 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

Each license shall state the location at which the business is to be conducted and shall state fully the name of the licensee. If the licensee desires to engage in the business of debt adjustment in more than one location, the licensee shall procure a license for each location where the business is to be conducted. Each license shall be maintained at the location for which the license was issued and shall be available for public inspection. Such license shall not be transferable or assignable,

Substitute Senate Bill No. 182

provided any change of location of a licensee shall require only prior written notice to the commissioner. No licensee shall use any name other than the name stated on the license issued by the commissioner. Not later than fifteen days after a licensee ceases to engage in this state in the business of debt adjustment for any reason, including a business decision to terminate operations in this state, license revocation, bankruptcy or voluntary dissolution, such licensee shall surrender to the commissioner in person or by registered or certified mail its license for each location in which such licensee has ceased to engage in such business.

Sec. 15. Section 36a-738 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2008*):

A financial institution shall comply with all applicable provisions of the federal Home Mortgage Disclosure Act, and, in addition, shall report on the federal Home Mortgage Disclosure Act loan application register the reason for denial in connection with each loan application subject to federal reporting that is denied by the financial institution. Each financial institution shall provide the commissioner with any information required to be disclosed to a federal agency pursuant to the federal Home Mortgage Disclosure Act [as the commissioner may require] if requested by the commissioner in any case in which the commissioner is unable to obtain such information from the applicable federal agency.

Approved May 27, 2008